



Legislation Details (With Text)

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Title: Resolution Authorizing and Approving 1) The Sale of HRA Parcels to Wells Parking, LLC for the Purchase Price of \$50,000; 2) Approval of HRA Land Sale Loan of \$50,000 to Assist in the Purchase of the Property; 3) Approval of a Development Agreement with the Wells Parking, LLC; and 4) Authorizing the Executive Director to Finalize the Loan and Land Sale Documents for Execution by the Appropriate HRA Officers in Connection with the 619, 621, 623 and 627 Wells Street Project, District 5, Ward 6.

Sponsors: Dan Bostrom

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Attachment B - Map, 3. Attachment C - Project Summary, 4. Attachment D - Sources and Uses, 5. Attachment E - Public Purpose, 6. Attachment F - District 5 Profile

Date	Ver.	Action By	Action	Result
5/27/2015	1	Housing & Redevelopment Authority	Adopted	Pass

Resolution Authorizing and Approving 1) The Sale of HRA Parcels to Wells Parking, LLC for the Purchase Price of \$50,000; 2) Approval of HRA Land Sale Loan of \$50,000 to Assist in the Purchase of the Property; 3) Approval of a Development Agreement with the Wells Parking, LLC; and 4) Authorizing the Executive Director to Finalize the Loan and Land Sale Documents for Execution by the Appropriate HRA Officers in Connection with the 619, 621, 623 and 627 Wells Street Project, District 5, Ward 6.

WHEREAS, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota ("HRA") has duly adopted and there is now in effect a City-Wide Comprehensive Plan/Redevelopment Plan for the acquisition, rehabilitation and resale of properties; and

WHEREAS, the HRA through the use of its statutory powers, seeks to address the problems created by deteriorated and blighting buildings, inappropriate land use and vacant/under utilized land in its neighborhoods within the City of Saint Paul; and

WHEREAS, the HRA has the power to engage in development or redevelopment activities under Chapter 469 of the Minnesota Statutes, Housing and Redevelopment Act ("Act") and by authority of said Act engages in activities relating to: 1) housing projects and development; 2) removal of prevention of the spread of conditions of blight or deteriorations; 3) bringing substandard buildings and improvements into compliance with public standards; 4) disposition of land for private development; and 5) improving the tax base and the financial stability of the community; and engages in the aforementioned activities when redevelopment or development needs cannot be met through reliance solely upon private initiative, and may engage in said activities in targeted neighborhoods; and

WHEREAS, the HRA purchased 619 Wells Street using the ISP Parking Program Improvement and Implementation Fund (Fund 118) on April 26, 2013 for \$1,500 from Ramsey County through the tax forfeiture process; and

WHEREAS, the HRA purchased 621 Wells Street on January 14, 2000 for \$0 from Ramsey County

through the tax forfeiture process; and

WHEREAS, the HRA purchased 623 Wells Street using ISP Parking Program Improvement and Implementation funds (Fund 118) in December 2013 for \$3,851.90 from Ramsey County through the tax forfeiture process; and.

WHEREAS, the HRA purchased 627 Wells Street using CDBG funds (Fund 100) on March 11, 2011 for \$2,213 from Ramsey County through the tax forfeiture process; and

WHEREAS, Payne Avenue Guild, LLC, a Minnesota limited liability company, whose sole member is Raul Martin (the "Original Developer"), submitted a proposal to the HRA to construct of an off-street parking lot (the "Project") situated upon certain real estate owned by the HRA, located at the 619, 621, 623 and 627 Wells Street in Saint Paul and legally described as follows: Lots 26, 27 and 28, Block 35, Chas. Weide's Subdivision of Block 35 of Arlington Hills Addition to St. Paul, Ramsey County, Minnesota, according to the recorded plat thereof, Ramsey County, Minnesota (the "Property"); and

WHEREAS, the HRA, on April 23, 2014, designated the Original Developer with the status as a "Tentative Developer" for the Project pursuant to HRA Resolution #14-708; and

WHEREAS, Raul Martin has formed a new entity called Wells Parking, LLC, a Minnesota limited liability company ("Successor Developer") which entity was transferred the tentative developer status for the Property from the Original Developer; and

WHEREAS, in order to proceed with the Project, the Successor Developer wishes to purchase the Property from the HRA for the amount of \$50,000.00; and

WHEREAS, the Successor Developer has also requested a loan from the HRA in the amount of \$50,000.00 to be used for the purchase of the Property, for which the obligation to pay will be secured by a purchase money mortgage on the Property and will have a term of twenty (20) years from the date of said conveyance provided the Successor Developer fully complies with the terms and conditions contained in a development agreement to be executed between Successor Developer and HRA; and

WHEREAS, HRA and the Successor Developer propose to enter into a development agreement, promissory note and mortgage together with documents related thereto (collectively the "Development Documents"), that will provide, among other things, the terms and conditions by which the HRA will sell, convey and finance such sale of the Property to the Successor Developer; and

WHEREAS, the notice of the HRA's proposal to sell the Property to the Successor Developer was published in the Saint Paul Pioneer Press on May 16, 2015, and a public hearing on said proposed sale and provisions thereof, was held on Wednesday, May 27, 2015 at 2:00 p.m., Central Daylight Time, third floor City Hall, 15 West Kellogg Boulevard, in the City of Saint Paul, Minnesota; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, that based upon the presentation of staff, the testimony, if any, proffered at the public hearing and the Report to Commissioners that accompanied this Resolution, that:

1. The Board hereby approves the execution of the Development Documents with the Successor Developer consistent with the terms and conditions set forth in this Resolution and staff report, and such other terms and conditions more fully described in said Development Documents, and the HRA Chair/Commissioner, HRA Executive Director and Director, Office of Financial Services are hereby authorized and directed to execute said Development Documents on behalf of the HRA. The Executive Director of the HRA is hereby authorized to negotiate and agree to any terms, conditions, amendments, deletions or revisions

to said Development Documents which do not materially or adversely change the rights or obligations of the HRA as described herein and provided that such amendments are acceptable in form and substance to the Saint Paul City Attorney.

2. The Board hereby approves the HRA's conveyance of the Property to the Successor Developer consistent with the terms and conditions set forth in this Resolution and such other terms and conditions more fully described in the above-described Development Documents, and further authorizes and directs the HRA Chair/Commissioner to execute the deed of conveyance related thereto.

3. The HRA Executive Director and staff are authorized and directed to take all necessary actions to implement this Resolution and the Executive Director is authorized to execute any additional documents and instruments in connection with this Resolution.